

Site: ORDNAGO
ID # MO 0980686281
Break: 11.11
Other: _____
2-15-1935 0736

LV

ANNUAL REPORT.
OF
KANSAS EXPLORATIONS, INCORPORATED.
JOPLIN, MISSOURI.
1934.

40121191



SUPERFUND RECORDS

Joplin, Missouri.
February 15, 1935.

Mr. Andrew Fletcher, Vice President,
Kansas Explorations, Inc.,
250 Park Avenue,
New York, New York.

Dear Sir:

I transmit herewith the Annual Report
of the Kansas Explorations, Inc., for the
year 1934.

Respectfully submitted,

Ross Blate,

ANNUAL REPORT.

KANSAS EXPLORATIONS INCORPORATED.

1 9 3 4

Kansas Explorations, Inc., did no operating or development work during 1934, but day and night watchmen were on duty at the Jarrett, Robinson and Ritz plants the entire year, and at the Isherwood plant until it was dismantled in May, 1934.

LIST OF LEASES AS AT DECEMBER 31, 1934.

OPERATING UNITS.

Number	Name	Acres	State	Land Owner Royalty
<u>JARRETT UNIT</u>				
396	Jarrett	240.0	Kansas	10%
<u>ROBINSON UNIT</u>				
724	Robinson	80.0	Kansas	15%
<u>RITZ UNIT</u>				
921	Ritz	60.0	Oklahoma	12 $\frac{1}{2}$ %
<u>DARDENNE UNIT</u>				
922	Dardenne	40.0	Oklahoma	5% Tailings 10% Ore

PROPOSED UNITS

SNAPP UNIT

571	Snapp	40.0	Missouri	7 $\frac{1}{2}$ %
969	Gunning	280.0	Missouri	7 $\frac{1}{2}$ %
968	Gunning	160.0	Missouri	7 $\frac{1}{2}$ %
966	McReynolds	80.0	Missouri	7 $\frac{1}{2}$ %
964	Ragland	40.0	Missouri	7 $\frac{1}{2}$ %
965	Buckingham	140.0	Missouri	7 $\frac{1}{2}$ %
959	Buckingham	107.0	Missouri	7 $\frac{1}{2}$ %
967	Wills	80.0	Missouri	7 $\frac{1}{2}$ %
960	Cushman	80.0	Missouri	7 $\frac{1}{2}$ %
Total Acreage		1007.0	Acres	

MISCELLANEOUS

933	Webber	150.4	Oklahoma	5%
-----	--------	-------	----------	----

GENERAL EXPENDITURES.

	1934	
	Expenditures	
	<u>Amount</u>	% Total
Lease Prospecting Expense	0	0
Deep Drilling Area X	0	0
Deep Drilling Area Y	0	0
Shale Drilling Area X	0	0
Shale Drilling Area Y	0	0
Lease Acquisition	0	0
Lease Rentals	1567.75	2.85
Legal Expense	0	0
Bonuses	0	0
General Expense Explorations	0	0
Taxes Explorations	0	0
Electrical Prospecting	0	0
Snapp Property	15.79	.03
 Total Lease Expense	 1583.54	 2.88
 Mine Development	 0	 0
Mine Plant	655.38	1.26
Cash Account	1000.00	1.82
Accounts Recieveable	11.00	.02
Warehouse Accounts	0	0
Drill Equipment	0	0
Fire & Tornado Insurance Prepaid	12442.16	22.64
Advanced Royalty	11600.00	21.11
Mining & Milling Expense	0	0
Shut Down Expense	26439.69	48.12
Royalties	799.11	1.45
General Expense Operations	0	0
Taxes Operations	1294.88	2.36
Employees Insurance Premiums	471.90	.86
 TOTALS	 54948.90	 100.00

Accounts Recieveable on books at the close of
the year showed a balance of \$130.04

At the close of the year Current Liabilities were
as follows:

Taxes Accrued	\$299.20
---------------	----------

Income for the year, other than from
concentrate sales, consisted of the
following,

Discount Earned	54.52
-----------------	-------

Royalties Earned, Dardenne,	\$11857.18	
Ritz,	8.09	11865.27

TOTAL	11919.79
-------	----------

Sale of Lead Concentrates

	Gross Receipts	Expense	Net
Jarrett	\$1428.38	\$150.84	1277.54
Robinson	70.27	17.07	53.20
Ritz	5083.18	652.54	4430.64
Isherwood	38.64	3.86	34.78
TOTAL	6620.47	824.31	5796.16

Sale of Zinc Concentrates

Isherwood	\$555.22	55.52	499.70
-----------	----------	-------	--------

JARRETT LEASE.

No operations, no pumping. Maintained day and night watchmen throughout the year.

During the month of April all of the lead concentrate that had been in storage bins since the plant was shut down in May, 1931, was sold.

During the month of May all of the Isherwood plant was stored on this tract.

During the month of December, a contract was entered into with Scott Jarrett whereby a payment of \$2000 advance royalty and a rental payment of \$600 was made for shut down privilege from May, 1931 to May, 1935. The advance royalty to be repaid at the rate of 5% of all royalties due Scott Jarrett from sales of concentrates upon resumption of operations.

Cost of Liability Insurance	\$281.45
Fire & Tornado Insurance	1753.00
Taxes	313.90
Watchmen & Misc. Labor	3500.54
Miscellaneous	2303.50
TOTAL	8152.39

MULLEN LEASE.

This tract was released January 19, 1934.

ROBINSON LEASE.

No operations, no pumping. Maintained day and night watchmen throughout the year.

During the month of April all of the lead concentrates that had been in storage bins since the plant was shut down, were sold.

The sum of \$9600 was paid as advanced royalty for shut down privilege during the year.

Cost of Liability Insurance	\$199.26
Fire & Tornado Ins.	1644.00
Taxes	287.94
Watchmen & Misc.	2477.13
Miscellaneous	574.27
TOTAL	5182.60

RITZ LEASE.

No operations, no pumping. Maintained day and night watchmen through the year.

Shut down permits were secured from the Indian Department, for the year, without cost.

During the month of April all of the lead concentrates that had been in the storage bins since the plant was shut down, were sold.

During the months of May and June, a sub-lessee was permitted to clean up 3054# of dry lead concentrates from some old mine dumps on the lease, paying a royalty of 25% to the Kansas Explorations, Inc.

Cost of Liability Insurance	\$241.18
Fire & Tornado Ins.	1848.00
Taxes	325.98
Watchmen & Misc. labor	2395.32
Miscellaneous	540.38
TOTAL	5350.86

ISHERWOOD LEASE.

No operations, no pumping. Maintained day and night watchmen until the plant was dismantled and stored at the Jarrett Lease, in May.

Before the plant was dismantled a general clean up in and around the plant produced 53740# of dry zinc concentrates and 1830# of low grade lead concentrates.

Cost of Liability Insurance	\$83.15
Fire & Tornado Ins.	425.00
Taxes	90.03
Watchmen & Misc. Labor	782.45
Miscellaneous	1833.25
TOTAL	3213.88

DARDENNE LEASE.

ATLAS MILLING COMPANY, Sub-Lessee, operating under special sub-lease, retreating Dardenne Tailings in mill on an adjoining lease. Net royalty to Kansas Explorations, Inc., 20%.

The Atlas Milling Company, as sub-lessee, continued the retreatment of the Dardenne Tailings during 1934, operating continuously, except for shut down periods due to District curtailment.

Due to the low price paid for zinc concentrates in this district, during the major part of the year 1934, it was decided to take the 20% royalty due, in zinc concentrates, and not market the concentrates until the market price was \$30.00 or more per ton.

During the year the Atlas Milling Company milled 311147 tons of wet tailings, that had an estimated moisture content of 4%, or 298701 dry tons Tailings, and 8148 wet tons of slimes, that had an estimated moisture content of 10%, or 7333 dry tons of slimes, being a total of 306034 dry tons for the year, from which, 5691.7 dry tons of zinc concentrates were produced, indicating a recovery of 1.8598%.

Royalty deductions amounting to \$5305.48 were made on 17 cars of zinc concentrates that contained 1,756,360# of zinc concentrates, that were sold by the Atlas Milling Company, between February 15, and May 20, at which time the price paid for zinc concentrates was \$30.00 or above.

Between May and December 31, the Kansas Explorations, Inc., took 797.8 tons or 1,595,613# of zinc concentrates as royalty, and it is now stored in the Jarrett ore bins.

During December, 1933, January and February 1934, 196.9 tons of zinc concentrates were taken as royalty, and later sold in the month of February. The difference in the price recieved at this sale over what would have been recieved if a royalty deduction had been made at the time the Atlas Milling Company sold concentrates was \$590.69.

	# Concts. ✓	# Metal.
Produced in 1934,	11,383,423	6,939,372
20% Royalty of 1934 Production,	2,276,685	1,387,874
Royalty Deduction taken in cash		
on 17 cars that had a weight of	351,272	212,117
Taken as Royalty in 1934,	1,878,131*	1,159,938
	2,229,403	1,372,055
Balance of 1934 Royalty due		
December 31, 1934,	47,282	15,819
Balance of 1933 Royalty due		8,861
Balance of Royalty due Kansas Explo-		24,680
rations, Inc., December 31, 1934,		

DARDENNE LEASE.

MARY M. MINING COMPANY, Sub-Lessee, operating under special sub-lease,,for the mining of ore from the Dardenne Tract, and milling the ore over a mill located on an adjoining tract. Net royalty to Kansas Explorations, Inc., 10%.

The Mary M. Mining Company, as sub-lessee, began the unwatering of the mine during the month of August, and was producing ore in the month of September, and operated the mine continuously during the balance of the year, with the exception of the periods of district curtailment.

Due to the low price paid for zinc concentrates in this district, during the major part of the year 1934, it was decided to take the 10% royalty due, in zinc concentrates, and not market the concentrates until the market price was \$30.00 or more per ton.

During this operating period the Mary M. Mining Company shipped 1536.58 tons of dry zinc concentrates, the net royalty of 10% due the Kansas Explorations, Inc., amounting to 153.658 tons of dry zinc concentrates. The Kansas Explorations, Inc., took on royalty account 163.03 tons of dry zinc concentrates, storing it in the ore bins at the Robinson mine.

The Mary M. Mining Company also produced and shipped 74270# of dry lead concentrates for which they recieved \$1168.66, 10% of which was retained by the Kansas Explorations, Inc., as royalty, or \$116.87.

The mining on this tract has been of a very selective character, consisting of slabbing of pillars and walls of the mine, only in such places as would yield high grade ore. The development work done has not added much tonnage to the known ore reserve.

During the early part of 1935, it is planned to drive drifts into the Northwestern part of the property to drill holes that indicate ore.

Judgeing from the known ore reserves at this time, I do not think the mine will be able to operate over six months.

Cost of Liability Insurance	\$7.24
Watchmen & Misc. Labor	71.92
Taxes	254.80
Miscellaneous	646.26
TOTAL	980.22

1537
39
1574

1574 tons zinc
Con

7.90% = 1574
7.90% = 1574
approx

GENERAL SHUT DOWN EXPENSE.

General Shut Down Expense

4854.62

Grand Total

27734.57

EMPLOYER'S LIABILITY.

At the close of the year, the Kansas Explorations, Inc., have the following unsettled cases on which compensation is being paid, two claims that will probably be permanent disability, and one accident claim on which an appeal was taken from the decision of the Industrial Commission, to the Supreme Court of Oklahoma.